The purpose of this letter is to communicate my organization's concern with new fax regulations recently issued by the FCC. I am writing on behalf of Tender Heart Treasures, a wholesale supplier of giftware and home décor products. Tender Heart Treasures employs over 350 employees and is located in Omaha, NE. The new fax regulations issued by the FCC will have a detrimental effect on our business and our customers' businesses.

We are been informed that effective August 25, 2003, it will be unlawful under the Federal Telephone Consumer Protection Act for a wholesaler-distributor (or any other business or person) to send an unsolicited "advertisement" to any fax machine -- including a customer's fax machine -- unless the customer or other recipient has granted the wholesaler-distributor prior express written permission to deliver the advertisement. This new rule is contained in regulations issued by the Federal Communications Commission and published in the July 25, 2003, issue of the Federal Register, 68 FR 44144. Prior to this rulemaking action, a wholesaler-distributor could send faxed advertisements to any person or company with which the firm had an established business relationship. These new rules eliminate this exemption. A recipient's signed written consent is now required.

Tender Heart Treasures currently utilizes fax advertising to communicate special promotions to thousands of retailers across the US. These retailers are <u>existing customers</u> of Tender Heart Treasures, and rely on the fax advertising programs in order to take advantage of the latest price discounts. The majority of our retailers are small, single location gift stores. Many of these small business owners rely on these discounts to remain profitable and stay in business.

Fax advertising is Tender Heart Treasures most cost effective advertising (about ½ the cost of traditional direct mail) and generates a significant portion of our overall business revenue. By forcing customers to send fax consent forms, we could greatly reduce the number of existing customers we can market our products to. The consent forms will also add increased administrative costs to our business. We will be forced to incur the costs of sending, receiving, filing and referencing thousands of fax consent forms. We will also incur costs to modify our computer system in order to record which customers have consent forms on file.

Tender Heart Treasures has already taken the necessary steps to insure our fax advertising is welcome by our customers. All our fax advertising clearly states that the fax was sent by Tender Heart Treasures and provides the customer with an 800# to call if they would prefer not to receive fax advertising. We maintain an internal list of "do not fax" customers and insure that they are excluded from all fax advertising.

We would appreciate your help in blocking this new regulation due to the detrimental effect it will have on our business.

Thank You,

Richard Majorek Direct Marketing Manager Tender Heart Treasures 10917 Harry Watanabe Pkwy Omaha, NE 68128-5737 402-593-1313